

**EXHIBIT NO. ___(CJC-2)
DOCKET NO. UE-04___/UG-04___
2004 PSE GENERAL RATE CASE
WITNESS: CHARLES J. CICCHETTI**

**BEFORE THE
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

**WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,**

Complainant,

v.

PUGET SOUND ENERGY, INC.,

Respondent.

**Docket No. UE-04___
Docket No. UG-04___**

**FIRST EXHIBIT (CURRICULUM VITAE) TO PREFILED DIRECT
TESTIMONY OF CHARLES J. CICCHETTI (NONCONFIDENTIAL)
ON BEHALF OF PUGET SOUND ENERGY, INC.**

APRIL 5, 2004

January 2004
CHARLES J. CICHETTI

PROFESSIONAL EXPERIENCE

1998-present Jeffrey J. Miller Professor in Government, Business, and the Economy, University of Southern California;

1996-present Co-Founder, Pacific Economics Group;

1990-1997 Adjunct Professor of Economics, University of Southern California;

1992-1996 Managing Director, Arthur Andersen Economic Consulting;

1991-1992 Co-Chairman, Putnam, Hayes & Bartlett, Inc.;

1988-1991 Managing Director, Putnam, Hayes & Bartlett, Inc.;

1987-1990 Deputy Director, Energy and Environmental Policy Center, John F. Kennedy School of Government, Harvard University;

1984-1987 Senior Vice President, National Economic Research Associates;

1980-1984 Co-Founder and Partner, Madison Consulting Group;

1979-1986 Professor of Economics and Environmental Studies, University of Wisconsin-Madison;

1977-1979 Chairman, Public Service Commission of Wisconsin, Appointed by Governor Patrick J. Lucey (member until 1980);

1975-1976 Director, Wisconsin Energy Office and Special Energy Counselor for Governor Patrick J. Lucey, State of Wisconsin;

1974-1979 Associate Professor, Economics and Environmental Studies, University of Wisconsin-Madison;

1972-1974 Visiting Associate Professor, Economics and Environmental Studies, University of Wisconsin-Madison;

1972 Associate Lecturer, School of Natural Resources of the University of Michigan;

1969-1972 Resources for the Future, Washington, D.C.;

1969 Ph.D., Economics, Rutgers University;

1968-1969 Instructor, Rutgers University;

1965 B.A., Economics, Colorado College;

1961-1964 Attended United States Air Force Academy.

EDITORIAL BOARDS

Journal of Environmental Economics and Management;
Energy Systems and Policy, Former Member;
Land Economics, Former Editor.

ADVISORY BOARDS

Alliance for Energy Security;
Association of Environmental and Resource Economics, Executive Committee, Former Member;
Association of Environmental and Resource Economics, Contributing Members Program Committee;
California ISO Market Advisory Group – appointed by Governor Gray Davis;
Center for Public Policy Advisory Committee, Former Member;
Department of Energy, Fuel Oil Marketing Advisory Committee, Former Member;
Graduate School of Public Policy at the University of California, Berkeley;
Institute for the Study of Regulation;
National Association of Regulatory Utility Commissioners, Executive Committee and Chairman of the Ad Hoc Committee on the National Energy Act, Former Member;
New Century Land Renewals;
Public Interest Economics Center, Board of Directors, Former Member;
Rutgers University, Energy Research Advisory Board;
U.S. Chamber of Commerce Energy and Natural Resources Committee.

PUBLICATIONS

Books and Monographs

Restructuring Electricity Markets: A World Perspective Post-California and Enron, with Colin M. Long and Kristina M. Sepetys, May 2003.

Energy Deregulation: The Benefits of Competition Were Undermined by Structural Flaws in the Market, Unsuccessful Oversight and Uncontrollable Competitive Forces, with Jeffrey A. Dubin, Jon Hockenyos, Colin M. Long and J.A. Wright. California State Auditor, Bureau of State Audits, Sacramento, California, March 2001.

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The Application of U.S. Regulatory Techniques to Spain's Electric Power Industry, with Irwin M. Stelzer, prepared for Unidad Electrica, S.A., Cambridge: Energy and Environmental Policy Center, Harvard University, March 1988.

The Economic Theory of Enhanced Natural Gas Service to the Industrial Sector: An Applied Approach, Vol. II with L.D. Kirsch, for the Gas Research Institute, Contract No. 5080-380-0349, February 1982.

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The Economic Effects of Deregulating Natural Gas, with R.H. Haveman, M. Lowry, M. Post and R. Schmidt, prepared for the Northeast Coalition for Energy Equity, Madison: MCG Monograph, 1981.

The Marginal Cost and Pricing of Electricity: An Applied Approach, with W. Gillen and P. Smolensky, Cambridge: Ballinger Publishing Company, 1977.

The Costs of Congestion: An Econometric Analysis of Wilderness Recreation, with V.K. Smith, Cambridge: Ballinger Publishing Company, 1976.

Energy System Forecasting, Planning and Pricing, ed. with W. Foell for the National Science Foundation, Madison: University of Wisconsin Monograph, 1975.

Studies in Electric Utility Regulation, ed. with J. Jurewitz for the Ford Foundation Energy Policy Project, Cambridge: Ballinger Publishing Company, 1975.

Perspective on Power: A Study of the Regulation and Pricing of Electric Power, with E. Berlin and W. Gillen for the Ford Foundation Energy Policy Project, Cambridge: Ballinger Publishing Company, 1974.

A Primer for Environmental Preservation: The Economics of Wild Rivers and Other Natural Wonders, New York: MSS Modular Publication, 1973.

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Alaskan Oil: Alternative Routes and Markets, for Resources for the Future, Baltimore: Johns Hopkins University Press, December 1972.

The Demand and Supply of Outdoor Recreation: An Econometric Analysis, Ph.D. Thesis: Rutgers University, 1969. Also, with J.J. Seneca and P. Davidson, Washington, D.C.: U.S. Department of Interior, Bureau of Outdoor Recreation, Contract No. 7-14-07-4, 1969.

A Neo Keynesian Equilibrium Analysis For an Open Economy, A.B. Thesis, Colorado College, Colorado, Springs, Colorado, May, 1965.

Journal Articles

“ISOs and Transcos: What’s at Stake?” with Gary D. Bachman and Colin M. Long, The Electricity Journal, December 2000.

“Politics as Usual: A Roadmap to Backlash, Backtracking and Re-regulation,” with Colin M. Long, Public Utilities Fortnightly, Vol. 138, No. 18. October 1, 2000.

“Transmission Products and Pricing: Hidden Agendas in the ISO/Transco Debate,” with Colin M. Long, Public Utilities Fortnightly, Vol. 137, No. 12. June 15, 1999

“Mergers and the Convergence of the Electric and Natural Gas Industries,” Natural Gas, March 1997.

“Been There, Done That: Sunk Costs, Access Charges and the Transmission Pricing Debate,” Energy, Vol. XXI, No. 4. September, 1996.

“Regulating Competition: Transition or Travesty?” with Kristina M. Sepetys, The Electricity Journal, May 1996.

“California Model Sets the Standard for Other States,” with Kristina M. Sepetys, World Power Yearbook 1996.

“Measuring the Effects of Natural Resource Damage and Environmental Stigma on Property Value,” Environmental Law, September/October, 1995.

"The Route Not Taken: The Decision to Build the Trans-Alaska Pipeline and the Aftermath," The American Enterprise, Volume 4, Number 5, September/ October 1993.

"A Micro-Econometric Analysis of Risk-Aversion and the Decision to Self-Insure," with Jeffrey Dubin, in Journal of Political Economy, Revised, July 1993. (Volume 102, No. 1, February 1994.)

"Energy Utilities, Conservation, Efficiency," with Vinayak Bhattacharjee and William Rankin, Contemporary Policy Issues, Volume XI, Number 1, January 1993.

"Uniqueness, Irreversibility, and the Theory of Nonuse Values," with Louis L. Wilde, American Agricultural Economics Association, December 1992.

"Utility Energy Services," with Ellen K. Moran, Regulatory Incentives for Demand-Side Management, Chapter 9, American Council for an Energy-Efficient Economy, December 1992.

"A Micro-Econometric Analysis of Risk Aversion and the Decision to Self-Insure," California Institute of Technology, with Jeffrey A. Dubin, January 1992.

- "The Use and Misuse of Surveys in Economic Analysis: Natural Resource Damage Assessment Under CERCLA," California Institute of Technology, with Jeffrey Dubin and Louis Wilde, July 1991.
- "The Federal Energy Regulatory Commission's Proposed Policy Statement on Gas Inventory Charges (PL-89-1-1000), Energy and Environmental Policy Center, Harvard University, Discussion Paper E-89-11, July 1989.
- "Incentive Regulation: Some Conceptual and Policy Thoughts," Energy and Environmental Policy Center, Harvard University, Discussion Paper E-89-09, June 1989.
- "Including Unbundled Demand-Side Options in Electricity Utility Bidding Programs," with William Hogan, Public Utilities Fortnightly, June 8, 1989. (Also a Discussion Paper E-88-07).
- "Assessing Natural Resource Damages Under Superfund: The Case Against the Use of Contingent Value Survey Methods," with Neil Peck, Natural Resources & Environment, Vol. 4, No. 1, Spring 1989.
- "Pareto Optimality Through Non-Collusive Bilateral Monopoly with Cost-of-Service Regulation (or: Economic Efficiency in Strange Places)," with Jeff D. Makhholm, Energy and Environmental Policy Center, Harvard University, Working Paper, 1988.
- "The FERC's Discounted Cash Flow: A Compromise in the Wrong Direction," with Jeff Makhholm, Public Utilities Fortnightly, July 9, 1987.
- "Conservation Subsidies: The Economist's Perspective," with Suellen Curkendall, Electric Potential, Vol. 2, No. 3, May/June 1986.
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- "Opportunities for Canadian Energy Policy," with M. Reinbergs, Journal of Business Administration, Vol. 10, Fall 1978/Spring 1979.
- "Energy Regulation: When Federal and State Regulatory Commissions Meet," with J. Williams, American University Law Review, 1978.
- "The End-User Pricing of Natural Gas," with Don Wiener, Public Utilities Fortnightly, March 16, 1978.

- "An Econometric Evaluation of a Generalized Consumer Surplus Measure: The Mineral King Controversy," with V.K. Smith and A.C. Fisher, Econometrica, Vol. 44, No. 6, 1976.
- "Alternative Price Measures and the Residential Demand for Electricity: A Specification Analysis," with V.K. Smith, Regional Science and Urban Economics, 1975.
- "An Economic Analysis of Water Resource Investments and Regional Economic Growth," with V.K. Smith and J. Carston, Water Resources Research, Vol. 12, No. 1, 1975.
- "A Note on Fitting Log Linear Regressions with Some Zero Observations for the Regressand," with V.K. Smith, Metroeconomica, Vol. 26, 1975.
- "The Design of Electricity Tariffs," Public Utilities Fortnightly, August 28, 1975.
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- "Electricity Price Regulation: Critical Crossroads or New Group Participation Sport," Public Utilities Fortnightly, August 29, 1974.
- "Interdependent Consumer Decisions: A Production Function Approach," with V.K. Smith, Australian Economic Papers, December 1973.
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- "Congestion, Quality Deterioration and Optimal Use: Wilderness Recreation in the Spanish Peaks Primitive Area," with V.K. Smith, Social Sciences Research, Vol. 2, 1, March 1973 (reprinted July 1973).
- "The Economics of Environmental Preservation: A Theoretical and Empirical Analysis," with A.C. Fisher and J.V. Krutilla, American Economic Review, Vol. 62, No. 4, September 1972.
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"Option Demand and Consumer Surplus: Further Comment," with A.M. Freeman III, Quarterly Journal of Economics, Vol. 85, August 1971.

"Some Economic Issues Involved in Planning Urban Recreation Facilities," Land Economics, February 1971.

"A Note on Jointly Supplied Mixed Goods," with V.K. Smith, Quarterly Review of Economics and Business, Vol. 10, No. 3, Autumn 1970.

"A Gravity Model Analysis of the Demand for Public Communication," with J.J. Seneca, Journal of Regional Science, Vol. 9, No. 3, Winter 1969.

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"Including Unbundled Demand-Side Options in Electric Utility Bidding Programs," in *Competition in Electricity: New Markets & New Structures*, with William Hogan and edited by James L. Plummer and Susan Troppmann, (Public Utilities Reports and QED Research Inc: Arlington, Virginia) March 1990.

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"Electricity and Natural Gas Rate Issues," with M. Reinbergs, in The Annual Energy Review, Palo Alto: Annual Reviews Inc., Vol. 4, 1979.

"The Measurement of Individual Congestion Costs: An Econometric Application to Wilderness Recreation," with V.K. Smith, in Theory and Measurement of Economic Externalities, ed. S.A. Lin, New York: Academic Press, 1976.

"Implementing Diurnal Electricity Pricing in the U.S.: A Pragmatic Approach," in Energy System Forecasting, Planning and Pricing, ed. C.J. Cicchetti and W. Foell, Madison: University of Wisconsin Press, February 1975.

- "Measuring the Price Elasticity of Demand for Electricity: The U.S. Experience," with V.K. Smith, in Energy System Forecasting, Planning and Pricing, ed. C.J. Cicchetti and W. Foell, Madison: University of Wisconsin Press, 1975.
- "Public Utility Pricing: A Synthesis of Marginal Cost, Regulatory Constraints, Averch-Johnson Bias, Peak Load and Block Pricing," with J. Jurewitz, in Studies in Electric Utility Regulation, ed. C.J. Cicchetti and J. Jurewitz, Cambridge: Ballinger Publishing Company, 1975.
- "Congestion, Optimal Use and Benefit Estimation: A Case Study of Wilderness Recreation," with V.K. Smith, in Social Experiments and Social Program Evaluation, ed. J.G. Albert and M. Kamrass, Cambridge: Ballinger Publishing Company, 1974.
- "Electricity Growth: Economic Incentives and Environmental Quality," with W. Gillen, in Energy: Demand, Conservation and Institutional Problems, ed. M. Macrakis, Cambridge: MIT Press, 1974.
- "Some Institutional and Conceptual Thoughts on the Measurement of Indirect and Intangible Benefits and Costs," with John Bishop, in Cost-Benefit Analysis and Water Pollution Policy, ed. H. Peskin and E. Seskin, Washington, D.C.: Urban Institute, 1974.
- "The Trans-Alaska Pipeline: An Economic Analysis of Alternatives," with A.M. Freeman III, in Pollution, Resources and the Environment, ed. A.C. Enthoven and A.M. Freeman III, New York: W.W. Norton and Co., 1973.
- "Alternative Uses of Natural Environments: The Economics of Environmental Modification," with A.C. Fisher and J.V. Krutilla, in Natural Environments: Studies in Theoretical and Applied Analysis, ed. J.V. Krutilla, Baltimore: Johns Hopkins University Press, 1972.
- "A Multivariate Statistical Analysis of Wilderness Users in the United States," in Natural Environments: Studies in Theoretical and Applied Analysis, ed. J.V. Krutilla, Baltimore: Johns Hopkins University press, 1972.
- "Benefits or Costs? An Assessment of the Water Resources Council's Proposed Principles in Standards," with R.K. Davis, S.H. Hanke, R.H. Haveman and L. Knetsch, in Benefit-Cost and Policy Analysis, ed. W. Nishkanen, *et al*, Chicago: Aldine Publishing Company, 1972.
- "Observations on the Economics of Irreplaceable Assets: Theory and Method in the Social Sciences," with J.V. Krutilla, A.M. Freeman III and C. Russell, in Environmental Quality Analysis, ed. A. Kneese and B.T. Bower, Baltimore: Johns Hopkins University Press, 1972.

"Outdoor Recreation and Congestion in the United States," in Population, Resources and the Environment, ed. R. Ridker, Washington, D.C.: U.S. Government Printing Office, 1972.

Less Technical Articles

"Still the Wrong Route," Environment, Vol. 19, No. 1, January/February, 1977.

"National Energy Policy Plans: A Critique," Transportation Journal, Winter 1976.

"The Mandatory Oil Import Program: A Consideration of Economic Efficiency and Equity," with W. Gillen, Joint Economic Committee of the U.S. Congress, 1974.

"The Political Economy of the Energy Crisis," with R. Haveman in Carroll Business Review, Winter 1974.

"The Wrong Route," Environment, Volume 15, No. 5, June 1973.

"Benefit-Cost Analysis and Technologically Induced Relative Price Changes: The Case of Environmental Irreversibilities," with J.V. Krutilla, Natural Resources Journal, 1972.

"A Review of the Empirical Analyses that Have Been Based Upon the National Recreation Surveys," Journal of Leisure Research, Vol. 4, Spring 1972.

"How the War in Indochina is Being Paid for by the American Public: An Economic Comparison of the Periods Before and After Escalation," Public Forum, July 1970, (reprinted in the Congressional Record, August 13, 1970).

"User Response in Outdoor Recreation: A Reply," with J.J. Seneca, Journal of Leisure Research, Vol. 2, No. 2, Spring 1970.

"User Response in Outdoor Recreation: A Production Analysis," with J.J. Seneca, Journal of Leisure Research, Vol. 1, No. 3, Summer 1969.

Miscellaneous Articles

"Competitive Battlefield: A View from the Trenches," Northeast Utilities 1987 Annual Report, Competition: A Matter of Choices, 1987.

SELECTED ADMINISTRATIVE AND CIVIL LITIGATION TESTIMONY SINCE 1980

Before the FERC, Affidavit of Charles J. Cicchetti for the Independent Energy Producers, on Behalf of Mountainview Power, January 8, 2004.

On Behalf of VENCORP, Initial Report on Stage 1 Definition of Market Design Packages, December 8, 2003.

Before the Public Utilities Commission of the State of California, Prepared Rebuttal Testimony of Charles J. Cicchetti on behalf of The Navajo Nation, Application No. 02-05-046, October 29, 2003.

Before the Public Utilities Commission of the State of California, Comments of Charles J. Cicchetti on behalf of The California Clean Energy Resources Authority (CALCLERA), October 22, 2003.

Before the Public Utilities Commission of California, Prepared Direct Testimony of Charles J. Cicchetti on behalf of The Navajo Nation, Application No. 02-5-046, October 10, 2003.

Before the CPUC, Prepared Rebuttal Testimony of Charles J. Cicchetti on behalf of the Independent Energy Producers Association, Docket No. A-03-03-032, October 6, 2003.

Before the California Public Utilities Commission, Prepared Direct Testimony of Charles J. Cicchetti on behalf of the Independent Energy Producers Association (IEP), Docket No. A.03-07-032, September 29, 2003.

Before the FERC, Testimony of Charles J. Cicchetti on behalf of BP Energy, Docket No. EL03-60-000, April 16, 2003.

Before the FERC, Testimony of Charles J. Cicchetti on behalf of Idacorp Energy L.P. and Idaho Power Company, Docket No. EL01-10-007, March 20, 2003.

Expert Report of Charles J. Cicchetti In the Matter of Idacorp Energy L.P. v. Overton Power District No. 5, CV OC 0107870D, March 4, 2003.

Before the FERC, Testimony of Charles J. Cicchetti on Behalf of Avista Energy, Inc., BP Energy Company, Idacorp Energy L.P., Puget Sound Energy Inc., TransAlta Energy Marketing (U.S.) Inc., TransAlta Energy Marketing (California) Inc., and TransCanada Energy, Ltd., Docket No. EL00-95-075, EL00-98-063, March 3, 2003.